THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

March 16, 1946

INNOCENTS AT HOME

AN EDITORIAL

Courts Should Help Trade

By Ernest D. Strauss

Korea's Leftists Losing Ground

By Palmer Hoyt, Jr.

Sikang Under Development

By Paul R. Sung

DEMOCRATIC ELECTIONS

AN EDITORIAL

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What People Are Saying

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

S.M.C. Superannuation

To The Editor:

Being an ex-employee of the Shanghai Municipal Council, I would like to replenish the statement made by S. O. Sung in your periodical of last edition regarding the superannuation fund as follows:—

The purpose of adopting this system by the Council is to secure the legitimate interests of its employees. One-third of the proceeds is deducted from the employees' monthly payroll, and the remainder contributed by the Council. An employee resigns after having served for a certain period or retires when attaining the age limit, the Council issues to him a lump sum of money which is in Fapi or alternatively in sterling to be converted per quotation at time of investment. This is one of the reasons why there are employees of the Council who have served for twenty, thirty or even more years.

It is learned that ex-employees (foreign) of the Council have already obtained the money through good office of their respective governments. We Chinese desire that our government will treat us likewise. We have lost our position. But does this mean that we should lose our superannuation fund just as well? It is our life savings, which not only ourselves but also our wives and children are eagerly claiming. We hope that our government will not callously turn a deaf ear to our plea.

T. N. TONG.

Shanghai,
March 4, 1946.

National Hymn

To The Editor:

On Oct. 10, 1945, in Kunming I began to translate the Chinese National Hymn which as far as I know seems to have not been translated into any foreign language. Not satisfied with my first translation of same I have since revised it not less than six times. The following is my sixth and last translation. It is still far from perfect.

I cordially invite criticism and shall be pleased if some of your readers will come forward to offer improvements or a better translation so as to enable those who cannot sing it in Chinese with us to sing it in English.

The Three Principles of the people we adore;
Thereon our Republic is founded, marching to one world.
O men and women, listen to thy country's call!
Day and night we will stand by the principles,
We shall be diligent, brave, loyal and faithful;
To the very end let us serve with heart and soul.

K. S. YEN.

A Chinese View

To The Editor:

It is a great pleasure to me that the China Weekly Review, a well-known foreign magazine in China, allows me valuable space to publish this letter. This is not because of the beauty or clearness of the essay, but because of the importance of the question which it is proposed to discuss in this letter.

I am very sorry I have to tell you that anti-Soviet movement has been rising everywhere in China. As I am a person who wishes to see the establishment of the friendly relations between Soviet Russia and China, I hope I can justly analyze the reasons for the anti-Soviet movement which has been occurring recently in China and say what most of the Chinese people want to say to you.

When the surrender of the Japanese was realized, all Chinese people, whether young or old, men or women, were obliged to you for your kindness to declare war on Japan which doubtlessly hastened the downfall of the Japanese Empire. At that time, Soviet Russia in the mind of Chinese people was really a lover of justice and righteousness, an espouser of peace and democracy, and a real friend of China. But this good impression toward you has been darkened day by day owing

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to your violation of the Sino-Russian friendly pact which was signed a few days before the Japanese surrender in Moscow.

According to that pact, we gave up many privileges and many territories to you, such as the independence of Outer Mongolia, the domination of Dairen Harbor by you, the lease of Port Arthur as a naval base by you, and the joint management of the Chinese Eastern Railway and South Manchuria Railway by you and us. We signed this pact for the purpose of maintaining friendly relations between you and us, of protecting our sovereignty in the northeast, and of guaranteeing the peace of the Far East.

But the practical situation in the northeast at present is just the opposite of our original desire. Your troops have remained there since the surrender of the Japanese Empire, government officers sent there for taking over purposes have been assassinated or imprisoned by your forces, those Japanese establishments and properties which are movable have been taken away by your soldiers, and the Chinese communists, who are supported and controlled by you, are destroying the communications everywhere in China.

It is very clear that you are intending to occupy our northeast permanently. It is for this very reason that the Anti-Soviet Movement has been rising in China recently.

But we hope you will remember the lessons of history. It is impossible for you to establish the Chinese northeast as a Soviet territory. The nine provinces of the northeast are inseparable with the other part of China. It is a lifeline of China, for 70 percent of our heavy industry lies there. It is a national defence line of China, for without them our Central Government could not exist safely, as past events in our history showed clearly. It is the Alsace-Lorraine of the Far East, for it is very easy to be used as a pretext for creating an international war.

Japanese militarists who were intending to annex our northeast as a part of the Japanese Empire created the Mukden Incident 15 years ago. But what a grievous ending has resulted from that attempt for the Japanese people after 15 years! As a Japanese statesman once said, Manchuria is really a bomb, one who swallows it must destroy himself. Japanese Empire attempted to swallow it, so she has been destroyed by it.

We are now determined to maintain our territory as it was 15 years ago. Eight years ago no one in China could say that China might fight with Japan, then one of the first-class countries of the world. But Japanese invasion at last compelled us to resist her. Eight years ago no one in the world could say that a world-wide war would be created in 1941. But Hitlerism and the Japanese invasion of China created a world war in 1941. We have been liberated from the war of resistanee to Japanese invasion, while Japanese Empire and Nazi Germany have been destroyed by the war.

Mr. Byrnes, American Secretary of State, declared that any Russian dominance in the Chinese Northeast is in violation of the American Open Door Policy. The New York Times, one of the leading papers in America, stated that America will help China forever. Perhaps these declarations and promises are worthy for you to take consideration.

The severe and cold winter has gone away and the warming gentle and beautiful spring has come. The singing birds and the fragrant flowers are welcoming this warming new world. We hope there will be warming and good news coming from the northeast very soon.

PROF. YU WEN-HAO.
Santai, Szechuen,
February 24, 1946.

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Innocents At Home

THE Committee for a Democratic Far Eastern Policy, a recently-formed organization in New York composed of American liberals who are presently opposed to official American policy in China, Japan and the rest of the Far East, has begun issuing an **Information Bulletin** in which it takes official policy to task and advances its own ideas for the "solution in Asia."

The Committee, who's directors include such well known China figures as Richard Watts, Jr., Mrs. Edgar Snow, Israel Epstein, Ilona Ralf Sues and Gunther Stein, says in its statement of policy that it advocates the "traditional American ideals of fair play, democracy, and freedom in our relations with the peoples of the Far East."

With such a statement no one can take issue. However, unfortunately the statement of policy trails off from this straightforward beginning and, after winding through the usual confused list of half-truths about the Kuomintang and Communist parties, concludes that American policy is wrong because it supports Chungking instead of Yenan.

We feel today—as we have continually felt—that the only hope for China lies in the continued leadership of Generalissimo Chiang. China simply has not yet arrived at the position where she can elect a government which can stay in office, nor to the position where any man or group can command complete obedience from the various provincial military cliques. The Generalissimo himself, although he has shown that he has been able to control most of the dissident elements in non-communist China, does not have perfect control and is forced to put on continuous shows of power and to make continuous new alliances and concessions in order to maintain the present precarious unity.

However, we do not feel that American policy should be blind or unquestioning support of the Central Government. In payment for this support, the Generalissimo and the Central Government must be required to make increasing concessions toward democracy.

The fascist tendencies of many important Kuomintang members are well known; equally well known is the fact that reactionary, medieval-minded landlords and defeated but un-reconstructed warlords make up a large part of the Kuomintang's membership.

Democracy, as we know it in America, is not going to exist in China for a long time. After a several thousand-year-old tradition of oppression by officials, militarists, landlords, and merchants, the Chinese peasant today cannot simply pick up the reins of government and tomorrow have an efficient, smooth-functioning democracy. Democracy in China is going to be slow in coming and will have to be imposed from the top down. The exploiters of the people must be forced to give up power, while at the same time the peasants and workers at the bottom must be taught how to use this power wisely and how to hang on to it and prevent its being taken away from them in the future.

Today the initial impetus for this move must come from outside. America is the only outside power capable of exerting the necessary force to begin this operation since she alone can keep Russia off China's back and at the same time offer enough economic inducements to the government to influence it in the desired direction.

Meanwhile, continued talk about Kuomintang "dictatorship" and Communist "democracy" serve only to confuse the issue and bewilder the American public.

Foreign correspondents who have visited Communist controlled areas lyrically describe how the Communists have succeeded in feeding and clothing the people, how the peasants support the government, etc. At the same time they describe how the population's movement is controlled, how the government is efficient. Back in Kuomintang China they deplore the poor economic condition of the people, how the officials and others exploit them. But at the same time every Kuomintang move to secure greater population control or greater provincial control is met with a storm of criticism and cited as evidence of the inherent fascist tendencies of the Chungking Government.

When the Chungking-appointed governor, military commander and party leader of a province are known mainly for their dislike of each other, and their efforts to hinder each other's political career's result only in confusion and misgovernment of the province. Chungking is criticized because it wants to keep control of the area and does so by the only means at its disposal. On the other hand, when a local despot gains control of an area and demonstrates—as he nearly always does—that his misgovernment is worse than that of the Kuomintang's, the Central Government is again criticized for allowing this to occur. If Chungking is unable at the moment to "occupy" the province, this is cited as an indication of the Generalissimo's military weakness. When such a local military despot is removed, as was the case in Yunnan shortly after the Japanese surrender when Chungking troops surrounded the headquarters of opium-promoting Governor Lun Yun and forced his abdication, the liberals howled, "he (Chiang) extended his control . . . by the same strong-armed methods that brought him to power."

It would seem that it is time for American Liberals to wake up and face the realities. If

they are being honest when they say they wish to promote the "traditional American ideals of fair play, democracy and freedom," they must investigate the facts and then decide how best such aims may be accomplished. Further they must stop assuming that in every country where Communism is in conflict with other political beliefs that all the fine, democratic, American virtues are possessed by the Communists, while the opposition is, as a matter of course, fascist.

America's Foreign Legions

AMERICA'S rapid demobilization and the consequent hiring of "mercenaries" both in Europe and Asia presents a problem about which Americans may well be concerned. Not only should the whole idea of "hired" soldiers be repugnant to us, but the impression which this creates throughout the world should be considered.

We here in Shanghai have had only a mild taste of the ever growing American Foreign Legion. This has been in the form of locally hired "Auxiliary Military Police." Aside from the fact that it appears to the Shanghai public that the American soldiers and sailors have no time for this admittedly onerous guard duty after their attendance at the city's numerous nightclubs, there have been a few incidents involving our local mercenaries which have not altogether redounded to our credit.

Viewing this whole situation with misgivings, the New York Times recently listed the main components of our foreign legion, saying:

"The American Army in Germany has organized a Polish Brigade, consisting of some 20,000 men which is being used as an auxiliary force for guard and labor duties. It has likewise authorized and encouraged the formation of a 'Royal Yugoslav Army' of some 10,000 men. . . . Finally, by authorization of Congress itself, the American Army in the Far East is recruiting and organizing the Philippine Scouts, who will become foreign troops when the Philippines become independent on July 4 of this year.

"The Poles and Yugoslavs thus enlisted are for the most part former war prisoners who either fear or refuse to return to their own countries while these are under their present regimes.

" . . . . They are entitled to asylum . . . . but providing asylum for refugees is one thing, and organizating armies unfriendly to governments we have recognized is another. The situation being what it is, it cannot be to our interest to arouse suspicions which trouble international relations.

"Beyond that, however, the organization of foreign legions is a further warning of the crisis in the American military establishment caused by the precipitate demobilization of our forces and the failure of Congress and the Administration to provide adequate replacements. This development has already crippled our occupation armies and exposed them to grave risks. It is now changing the character of the occupation and thereby lowering the prestige and influence of the United States in world affairs. It is a demonstration that the United States is no longer willing to meet its commitments abroad with its own manpower. The world is watching the consequences."

Democratic Elections?

LAST week the local municipal government announced that in accordance with instructions from the Central Government concerning "the organizing of representative bodies as media for the expression of the popular will" a general election of municipal district representatives will take place from March 20 to 31. Thus far everything appeared in order according to the wording of the statement. On the face of it, the people of Shanghai would finally obtain a voice in the government of the country according to the "popular will."

The fly in the democratic ointment occurs, however, in the latter part of the release, which states that "each family will nominate a representative to participate in the meeting of the paos . . . each pao being entitled to send two candidates and two reserve candidates." In those words the entire electoral procedure was dismissed by the statement. Would there be secret balloting? Who would count the votes? What safeguards would be given to prevent intimidation? Yet despite nothing being made known concerning these important points, the elections are still referred to as democratic.

It is to be noted that public servants and army officers and men are to be disqualified from candidature. The conclusion would be that the commanding officers or officials might use their authority to infringe upon the rights of their inferiors. In view of conditions prevailing in the administration this is a most timely measure.

But is it not a fact that the Pao Chia is a system wherein citizens are grouped on semi-military lines, where they come under the authority of the appointed section and district chiefs? That being the case, is it not possible that the chiefs may use their position for personal advantage and profit? The average local citizen, so easily influenced by others, would readily fall prey to any electoral maneuvers carried out in the pao. It is therefore well-nigh impossible to understand how such elections can be conducive to "the expression of the popular will."

But if the use of the pao system as the electoral unit is not democratic, then what can the people think of the clause stating that all school students are automatically disqualified from candidature? Now it would be absolutely justifiable if an age limit had been set for the candidates, as is done in all democratic countries. That age limit might be 16, 18 or 21 years of age, or any other to be decided upon. But it is wanton discrimination to rule that **all** students are disqualified. The term "school students" is likewise extremely hazy, to say the least. Are college students included under that category? Likewise, do night-school students, many of whom are well on in their thirties, come under the disqualifications?

It's just as easy as all that. Is it because the students are deemed to be too youthful and inexperienced to participate in the election, or is it because they are swayed by patriotism and liberalism? Obviously, in their education, they are infinitely more advanced than the vast majority of citizens. It would therefore be the logical conclusion that they are being excluded from the elections entirely on the latter grounds.

Had this been the case only in Shanghai, we might interpret the rank discrimination against students as being something entirely local in nature, due possibly to a blunder caused by official red tape. But such is not the case. "For the expression of the popular will" all over the country the same electoral laws will hold good. We only wonder whether the word expression is appropriate in view of the circumstances, or whether the word suppression would just as well serve?

Forgotten Decisions

THE tri-power statement directed against Franco may be considered to be a more vigorous stand vis-a-vis a budding fascist regime, if compared with the stand taken by the democratic nations during Hitler's and Mussolini's heyday. This statement is a step forward in peace-time dealing with fascism in that it served notice on the regime of the negative attitude of the three powers whose actions may either save or break Franco. But contrasted with the active struggle against this menace to mankind not so long ago, this statement is merely negative and of little value, unless it is backed with other, more direct, actions.

It is unintelligible why diplomatic and economic relations with Franco Spain have not yet been severed by the major democracies. The stand taken by the New York Times, for example, which said that the United States, England and France should not interfere in the "internal affairs" of Spain, is not only a poor excuse for the delay. It is also a result of faulty reasoning and the consequent drawing of illogical conclusions.

The Times asserted that if relations with Spain are severed this will be felt most acutely by the "ragged and hungry" Spanish people. The paper, moreover, ended by suggesting a course which amounted to letting the Spaniards shift for themselves. From this it may be drawn that the Spanish people under Franco are quite comfortable and enjoying life and would greatly resent a speed-up in their dictator's downfall.

The decisions arrived at in Teheran stressed the necessity of concerted United Nations' action for the final defeat of the main forces of fascism in Germany. The Yalta decisions went further and called for help to the various peoples in liquidating the remnants of fascism in the world after the collapse of its main stronghold.

The memory of some men is discouragingly short. Lessons of recent history are not headed. A proved fascist continues to reign in a European country and hopes are held to overthrow him with statements and declarations. With things as they stand today, Franco is assured of a chance to resign his post on grounds of senility in the remote future.

The problem of the Spanish people today is not a problem of Spaniards alone. It is a problem that concerns all freedom loving peoples and primarily the French, British and Americans. Their governments have tackled the problem in a half-hearted way. The post-war prestige of these governments among nations, great and small, is sure to suffer considerably unless they live up to the expectations of the world in general, and the Spanish people in captivity in particular.

25 Years Ago in Millard's Review Of The Far East

March 12, 1921.

Protest

The Chamber of Commerce of Hankow and Wuchang in a telegram to Peking, strongly protested the additional levy of stamp tax duties.

* * *

Bandits

A report that a large band of Hunghutze had come up to Hankow from Shanghai to loot the Bank of China gave rise to a sudden panic in that city.

10 Years Ago in The China Weekly Review

March 14, 1936.

Headlines

German troops occupy Rhine cities—Hitler Flouts Locarno Treaty.

* * *

Recipe

The correspondence between Dr. Hu Shih, eminent Chinese scholar, and Takamobu Murobyshi, equally famous Japanese scholar, revealed that the former had written the Japanese: "The central problem is to remove hatred and resentment between the two people, rather than talk about Sino-Japanese friendship in empty words."

Korea's Leftists Losing Ground; Democratic Programs Announced

By PALMER HOYT, JR.

SEOUL, March 4.—Koreans in the United States zone of occupation are anxiously awaiting the first meeting of the joint United States-Soviet commission, which was scheduled to begin not later than March 8. Under paragraph four of the Korean section of the Moscow agreement this commission is ordered to select a provisional government for the country to work with Soviet and American officials until such time as it is decided whether or not Korea will be subject to a trusteeship for a period up to five years.

Although most political leaders here look for speedy establishment of the provisional government, the outlook is not too optimistic if judged on the basis of the meeting here last month between Soviet and American leaders. The Moscow agreement called for a preliminary meeting to alleviate the economic hardships imposed on Korea by the artificial division of occupation zones at the 38th parallel. The meeting began January 16 and ran through February 5 but aside from a final communique which announced that decisions had been reached on economic problems no information has been released to date and there has been absolutely no evidence of any change—economically or otherwise.

Blocs In U.S. Zone

The political scene, at least in the American zone, has been greatly cleared in the month following the preliminary discussions. Where there once were a number of parties, both left and right, all seemingly struggling against one another and within themselves, today there are two large blocs. First of these is the Representative Democratic Council of South Korea, an organization formed under the auspices of Lt. Gen. John R. Hodge to advise him on matters concerning the welfare of the American occupation zone.

Actually this group was brought together as a nucleus from which to select American candidates for the provisional government. It was formed on February 14, with Dr. Syngman Rhee as chairman, and Kim Koo, chairman of the old "Provisional Government" and Kim Kiusic as vice-chairmen.

Today it represents the followers of the "Provisional Government" which was exiled in China after 1919, and the personal followers of the group which led the revolution attempt of 1919. In addition it claims members of the Nationalist party, the Democratic party and the New Nationalist Party, all conservative elements, and various social and religious groups.

Leftist Groups Absent

Conspicuous in their absence from this council are the People's Party and the Communist party. During the formative period both were approached to join. Pak Hawn Yawng, secretary general of the communists, signified that he would be willing, but later changed his mind. In a formal statement to Hodge, he declined because the council "is neither representative nor democratic."

Lyuh Woon Heung, leader of the leftist People's Party also planned to join this group—in fact had prepared his speech for the first meeting and had made last-minute preparations on February 13. The next day, however, he did not show up at the inaugural meeting, and the following day he resigned from the council, stating that his party did not have sufficient representation. Of a committee of 30, supposedly representing the majority of 17,000,000 people in the American zone, the People's Party had a representation of three.

One member of the People's Party refused to resign from the council. This man, Paik Sang Kyu, one of the three representatives and reportedly right-hand man to Lyuh, said he would stay on the council and resign from the People's Party if necessary. Although for a while it looked as though this would mean a severe split in Lyuh's organization, the crisis seems to have blown over and although Pak remains on the council the People's Party continues to follow Lyuh.

Coalition Formed

Leftist elements called a convention on February 15, the day following convocation of the Representative Democratic Council. Having decided to withdraw from the council, Lyuh attended this conference and told representatives of the Communist and People's Parties they should work together. The convention was known as the Democratic People's Battlefront Formation convention, and it now appears that the two groups have formed a coalition in the face of the American-sponsored council.

The other important bloc which has appeared is the North Korea Interim People's Committee, a Soviet-sponsored group with headquarters in Pyong Yang, capitol of the Soviet zone of occupation. The organization, which was formed on February 8, occupies the same relative position with Soviet authorities that the Representative Democratic Council does with the Americans. Chawng Lo, the newspaper of the North Korea branch of the Communist party, reported that the committee was composed of 25 members, under chairmanship of Kim Il Sung, communist leader of the northern zone. Conservative political leaders here said that 24 of the 25 members were communists—the other a disreputable Democrat.

Change Of Heart Seen

While there is no way here to tell how much support the Representative Democratic Council will receive from Korean groups in the Soviet zone, it is quite apparent that the Soviet-

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sponsored organization will receive the wholehearted support of both the People's Party and the Communist party in the American zone, or at least in Seoul. Throughout the American-occupied provinces, however, there seems to be a change of heart in progress. The Communist party remains intensely loyal to its headquarters here but there have been disturbing reports from small units of the People's Party.

Military Government authorities report that they have received numbers of letters from People's Committees condemning the actions of Lyuh and his group. These People's Committees have in the past been closely related to the party, but American officials now say that there is doubt in the minds of some, and others have definitely broken with the mother group. This has been largely because of Lyuh's decision to back out of the Representative Democratic Council, which many Koreans believe to have been the first honest unification group.

Platforms Announced

The two major political blocs have brought forth platforms, the northern group through its committee and the southern council in a radio address by Dr. Syngman Rhee. The latter has not been adopted by the council but Rhee characterized it as a program which must be accomplished to make Korea a strong and respected nation. These two platforms have presented a problem to observers in Korea who had been used to referring to one group as leftist and the other as rightist. Both would be considered very liberal by American standards, and that proposed by Dr. Rhee goes even further towards the left than the plan of the northern group.

Both platforms call for establishment of "democratic" government. The northern committee asks for extermination of pro-Japanese and anti-democratic elements—Rhee advocates immediate elections with universal suffrage, a constitution to be submitted to referendum and elimination of Japanese influence from laws and institutions. Kim Il Sung's group favors factories where the daily necessities of the people can be produced. Rhee wants a planned economy and speedy production of consumer's goods as well as state supervision of all industrial enterprises.

8-Hours Day For Men

Both favor industrial control by the state. The Soviet-zone committee wants assistance for labor unions with factory committees, while the southern calls for unemployment insurance, social security savings, minimum wage laws, health facilities for workers, abolishment of child labor and establishment of an eight-hour day for men and a six-hour day for women and minors.

In his speech Rhee went further than the northern group in demanding nationalization of all heavy industry, mines, forests, public utilities, banks, communications and transportation.

Main points of difference between the two are the sections dealing with land reforms. The northern organization wants quick adjustment of confiscated lands with free distribution to farmers. Rhee called for confiscation but redistribution after compensation.

Rhee Would Pay For Land

Under the Soviet-zone plan large landholders would be forced to give up their lands while under Rhee's platform they would be paid. Rhee has been charged with yielding to pressure on the part of the great land-holders, many of whom live in the American zone, but his proposal does not call for payment by individual farmers; rather by the state, with the farmers paying on a long-term loan basis.

Populative support of the two political blocs cannot be determined today but last month military government authorities here issued an ordinance calling for registration of political parties. The first section of the ordinance, which must have been fulfilled by March 1, asked for the name, office address, copy of the charter, list of officers, date of organization and enrollment of the party. Although there have been reported as many as 75 political parties and groups in the American zone, to date only 17 have completed registration. Military government officials believe other applications still may be in the mail.

Ordinance Resented

When this information is received, Military Government will be able to check the numerical support of each party. The second section of the ordinance, which must be completed by March 31, has caused a great deal of unfavorable comment and resentment among Koreans. It demands an accounting of the funds and sources of funds of the organization. It also limits eligibility for party membership to those persons who are permitted by law to hold public office. and calls for the name and address of every member of the political group.

A few days ago representatives of more than 20 political groups protested the ordinance to military government officials, and several of them announced their intention to refuse compliance with any but the first section. The Communist party, which was one of the loudest in complaint, was also the first to complete preliminary registration.

Newspapers of both right and left sympathies have denounced the ordinance as undemocratic. In Min Po leftist organ, published a statement by the Democratic Peoples' Front (Communist-Peoples' Republic group) which described the regulations as "the most cruel ordinance in Korean history." The statement added that the ordinance was "nc better than the imperialistic cruelty of the Japanese."

Monetary Ruling Opposed

The leftist Seoul Shin Mun predicted editorially that a number of parties would defy the ordinance and refuse to comply with the secondary sections, especially those calling for accounting of party funds.

The Dai Dong Press, conservative, condemned the ordinance as "contrary to common sense." Editorially it complained that the policy of military government "is becoming harher and harsher, little by little."

Greatest complaint of all groups was that the regulation specified that none but party members could contribute to the party coffers. Since the general practice in Korea has been to pick up funds from any source, whether party or not, this cuts deep into their monetary sensibilities.

Leftists Losing Ground

In spite of complaints, the ordinance will show military government the relative positions of the parties, both financially and in popular support. From indications here, the leftist group has lost a good deal of its support in the past month. This was especially evidenced on March 1, the 27th anniversary of the Korean declaration of independence from Japan.

At that time the Representative Democratic Council sponsored a ceremony, featuring the ringing of the Chong No (large bell) located in the center of the city. The leftists refused to participate and voted to hold their own ceremony. A crowd estimated at 100,000 participated in the Chong No ringing, but the Communist and People's parties were able to rouse only one-tenth of that number later in the day—and then called off their celebration.

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Chinese Courts Here Should Aid Promotion of Trade Security

By ERNEST D. STRAUSS

For the commodity that strangers have
With us in Venice, if it be denied,
Will much impeach the justice of the city,
Since that the trade and profit of the state
Consisteth of all nations.
(Shakespeare, Merchant of Venice. III/3)

THE congested condition in Shanghai's now unique Civil Court of Justice on North Chekiang Road has of late aroused some criticism in the daily papers. It is due of course in the first place to the amalgamation of the three courts formerly officiating in this city, the First District Court for the erstwhile International Settlement, the Second District Court for the French Concession, and the Nantao District Court, into one body. This state of affairs has been further aggravated by the abolishment of extraterritoriality, causing many legal affairs previously taken care of by the divers Consular Courts to come under Chinese Jurisdiction. Fortuitous circumstances, such as the inadequacy of accommodation, the scarcity of the necessary highly qualified legal officers, and certain peculiarities of the legal procedure, have added to the confusion. The inevitable result is overwork on the part of the judges, delay in the dispatching of the cases, and considerable cost and inconvenience to the parties before the Court.

But even before the enactment of this post-war measure the paucity of the judicial machinery of this city has been a matter of amazement to many a foreign observer. The three aforementioned courts had to attend to the legal needs of a population estimated at more than 3 million and of one of the biggest commercial centers of the globe. Taking the corresponding figures of a European capital of only about half the size and business importance, Vienna, we find the imposing array (speaking only of courts of first instance in civil cases) of 9 Bezirks-Gerichte for minor cases, 1 Landes-Gericht for major cases, 2 Courts of Commerce respectively for minor and major cases, 1 special Labor Court, and one Court of Execution dealing solely with the enactment of decisions. Even making allowance for the amount of legal work done by the Consular Courts, it was by comparison a surprising fact that here the modest display of three courts, with a very restricted number of judges, was found sufficient to, and could easily dispose of, the litigious cases of so big a metropolis.

Out Of Court

The explanation generally offered is that the Chinese are a peace-loving race and adverse to litigation, that they are sensible people preferring a meagre settlement to the most promising law-suit. There is of course something to this version but—it does not tell the whole story. To be sure, even under present circumstances a number of conflicts which might elsewhere lead to embittered feuds, are being settled in the traditional manner, by way of arbitration through the family and guild courts, by mediation and by direct negotiation. But not always does the traditional tendency to avoid legal procedure work out in such a beneficial manner. The hard-boiled methods of 20th century business, the ruthlessness of modern competition and above all, the demoralizing experiences of war time, have played havoc with old custom and the gentle ways of past ages. The old dislike of taking litigations to the courts has stayed on, but instead of seeking an out-of-court settlement, what is sought after is all too often out-of-court pressure. Instead of going to the law people are as often as not inclined to take it into their own hands, and the law governing the cases is no longer that of the statute books but that of the jungle.

But quite apart from these deplorable excrescences there is in any modern society and particularly in a community desirous of partaking in world affairs, a public interest that a reasonable amount of litigious cases be adjudicated by the stately courts. Only the continuous and steady jurisdiction of these courts can establish, by way of precedent, appeals and final decisions, the firm edifice of juridical usage necessary to fill in the gaps of the written law and to keep it abreast of the changing circumstances. Only in this way can business and commerce find the fixed and generally accepted rules so essential to their smooth functioning. There is even a doctrine among modern jurists to the effect that it is not only the right but the sacred duty of the citizen to seek redress in court in case his civil rights be wronged. Without going so far this much is certainly true that readiness on the part of the individual citizen to proceed, in case, to legal action, and general conviction that speedy redress can be obtained by it, constitutes a potent factor in upkeeping good business morale.

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business emporium like Shanghai. It is commonplace that foreign capital and trade will prefer operating in places where the courts of law enjoy a reputation for impartiality and efficiency even at the cost of a lower return. A well functioning judiciary is an important, if concealed, item in the balance of payment, and no publicity agent has ever thought of a slogan more instrumental in attracting foreign investment than, for instance, that: There are still judges in England!

It is, therefore, essential for the development of a society on modern lines that the courts of law be not just kept going but that they play their due part in regulating and guiding the economic inter-relations of the populace, and it is by no means a matter of indifference whether the foreign communities submit their cases to these courts reluctantly and only because and when they can not help it, or willingly and with full measure of confidence. What any true friend of the Chinese people must consequently hope for is that the judiciary of this country be not only up to the mark and equal to that of any other nation, but that it win the reputation for being so. If in spite of the undoubtedly high qualifications of most Chinese judges, especially in Shanghai, this is not always the case, the blame is certainly to be laid, in the first place, on some handed-down prejudices, but to some degree also on certain omissions of the past that could and should be mended.

Small Pay

One of these concerns the inedequate payment of the judges. This point, however, has already received such wide attention and so excellent reasons have been brought forward for the urgent necessity of a reform, that it can here be passed over. Another very important issue is that of the independence of the judges from all kinds of political influence. From the legalistic point of view this matter has been given due consideration, Art 40 of The Organic Law Of The Judiciary protecting the judges from suspension from office, dismissal, transference and reduction of salary except upon lawful grounds and after legal procedure.

It seems a moot question whether in these troubled times these excellent principles have always been acted upon, and China would not be the only country to have sinned in this respect. With the consolidation of the National Government, the stabilization of the economic conditions and the subsiding of political passion, it is firmly to be expected that the ancient administrative gift of the Chinese race will assert itself and that before long the tradition of a strong, independent and learned judiciary will be established. But while these and other developments will take some time to become effective, there are minor items which could be mended without great or special machinery, and which would go a long way in creating an atmosphere of confidence between the courts and the foreign communities.

The language of the Court is, of course, Chinese, and even when the judge understands English perfectly well—as most Shanghai judges do—, he has officially to disclaim any such knowledge. During the hearing itself the party not commanding the court language is given the benefit of an interpreter, but as to all other communications of the court, such as summons, rulings, decisions etc. he is left to his own devices.

Procedure Right

This is as it should be and no sovereign country could act differently. But it would mean no departure from the principle of the absolute prerogative of the national language to accord to the foreign population some facilities towards bridging their special difficulties, not only during the proceedings but also outside of them. The Chinese language differs from any other known tongue in that it is extremely difficult for the foreigner to learn, especially when it comes to the finer points such as necessary for understanding legal parlance. Nor is it all too easy to secure a reliable translation, for even educated Chinese usually refuse to translate official documents for fear of committing some blunder. It would be an easy matter to have these difficulties settled by establishing an official translation bureau where foreigners could have their court rescripts translated against a reasonable fee.

What goes for individual cases applies on a higher scale still to the statutes and rulings of the legislative body and the goyernment and to the decisions of the supreme court. Before the war, official translations of at least the most important laws and regulations used to be issued. At present it is nearly impossible for the foreigner to keep track of the workings of the legislative machinery and of the most essential precedents. The spiritual isolation thus effected is by no means to the interest of the Chinese people itself, for only through a steady and lively interchange of juristic and legal ideas and through open international discussion can a fruitful development be brought about and a close cultural rapprochement achieved. The matter is too important to be

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left to private scholarship and something official should be done about it.

Lawyers' Fees

Another peculiarity of Chinese legal procedure and one working in disfavor of a liberal recourse to the regular courts is the fact that lawyers' costs are not awarded to the winning party. The Chinese practice finds itself in this respect in contrast with that of nearly all civilized countries (with the exception of Holland and some minor countries. It is noteworthy that in Japan costs were rewarded, though only on a small scale not covering the real outlay). This fact is for the most part responsible for the erroneous, if popular, notion that litigation before the Chinese courts is particularly expensive, while in point of fact the court fees are very reasonable and merely the certainty of having to pay for one's own lawyer, success or no success, deters many people from pursuing their right in court.

The usage of debarring lawyer's costs from being refunded sounds like a very social-minded measure and is sure of commanding some popular support. The underlying idea is that the poor man cannot afford a lawyer and that consequently the wealthier classes, if they are able to secure this facility, should at least pay for it out of their own pockets. At the back of it looms the widespread dislike to "pettiforgging" lawyers and the conviction that a just cause does not need them and a crooked one does not merit them.

But like with so many other theoretically well-devised measures, the practical effect is far from beneficial or even social. The businessman, the banker, the man not so well versed in official language and, above all, the foreigner, simply cannot do without the services of a lawyer. Theirs is not the option to go to court with counsel or without, but to retain a lawyer or not to go to court at all. The judges themselves in the more complex cases, are very glad to have to deal with learned counsels, because contrary to popular belief this works for clarifying and speeding up the cases. On the other hand it affords the present state of affairs a free premium to all desiring to evade their obligations because all they risk is to pay, after much delay and expense caused to their creditors, no more than they should have done from the beginning.

Finally it goes far in preventing the formation of a class of responsible lawyers working in their legitimate field, which is recognized in all civilized countries as an important factor for a smoothly working judicial machinery.

As noted above, this is not a matter of the statute, for Art. 78 of the Code of Civil Procedure rules, entirely in accordance with the corresponding provisions of most countries, that "the costs of an action shall be borne by the party defeated." The only difference is that according to Western usage the reasonable fees of a lawyer are regarded as necessary costs of an action, while according to Chinese usage they are not. It being a matter of custom and not of law, departure could be easily effected by decision of the higher courts or even by directives issued by the Ministry of Justice.

One final remark may not be out of place. The Chinese nation that has struggled so long and expended such tremendous sacrifices to attain full sovereignty, is naturally jealous of this dearly paid for prize and inclined to view any special facility accorded to the foreigners with suspicion as savoring of preferential treatment. It will be abundantly clear to any reader of the foregoing lines that nothing of this kind is intended. Jurisdiction is, besides its legal and political aspect, a very practical proposition having wide social and commercial implications. All that is proposed here are a number of practical measures to make access to its doors easier to all. They concern no matters of principle but are in the nature of the "Commodity" that, as the poet puts it, should be extended to the stranger.

New Japanese Constitution Draft Outlaws War; Will It Be Heeded?

By EMANUEL GOLDBERG

A LITTLE ripple of optimism skimmed the news recently with the announcement that Japan had chosen a democratic constitution which "outlawed war."

A few ready critics praised the move as unique in world history. They said that no country had ever before committed itself constitutionally to renouncing force as a means of settling disputes with other nations.

According to Tokyo reports, the newly-adopted Jap constitution prohibits the maintenance of armed forces in Japan. There will be no authorization for future Jap army, navy, or air forces. The State's very right of belligerency is repudiated.

Japan thus submits her hopes for security "to the good faith and justice of the peace-loving peoples of the world."

Japanese newspapers urge other nations to follow Nippon's example. They maintain that world peace cannot be had by Japan's lone gesture, however praiseworthy. The other world powers will have to pitch in with similar pronouncements, they say.

Premier Shidehara added that Japan had "no hesitation" about renouncing war. He also expressed the desire that other nations follow this course.

In the midst of this, a cautious note crept in. Although Japan's new constitution might end wars for that nation as her sponsors say, some more cynical outsiders—like the Christian Science Monitor—call the new constitution worthless. These outsiders may be looking backward to dim Post-World War I-Pre-World War II events that somehow faintly resemble what is now labelled brand new.

In 1925, seven European nations signed a pact at Locarno by which they agreed not to attack each other except in their own defense or in deference to their obligations under the League of Nations.

Although the United States constitution gives the right to that nation to declare war, there were political currents in the United States at the time of Locarno which supported this thesis: that the best way to maintain peace was simply to have every nation declare that it wouldn't resort to war. The late Senator William E. Borah led such thinking.

In 1927, the Premier of France, Aristide Briand, pressed for a treaty between France and the United States, similar to the Locarno Pact, which would prohibit war between the two nations. Our then Secretary of State, Frank B. Kellogg, sensing the impact of Locarno and hoping for the best, requested that the negotiations be broadened "to obtain the adherence of all the principal powers of the world to a declaration renouncing war as an instrument of national policy."

This was agreeable to France. Negotiations with other nations ensured from April 6, 1927 until August 27, 1928, when the Kellogg-Briand Pact was signed at Paris by representatives of 15 nations, including Japan (as well as Germany and Italy).

Later, 62 nations gave their support to the Pact.

The final document had a lot of pretty phrases, too:

"Deeply sensible of .... solemn duty to promote the welfare of mankind.

"Persuaded that the time has come when a frank renunciation of war as an instrument of national policy should be made to the end that the peaceful and friendly relations now existing between .... peoples may be perpetuated.

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"Convinced that all changes in .... relations with one another should be sought only by pacific means and be the result of a peaceful and orderly process, and that any signatory power which shall hereafter seek to promote its national interests by resort to war should be denied the benefits furnished by this treaty."

Article One of the Kellogg-Briand Pact read:

"The high contracting parties solemnly declare in the names of their respective peoples that they condemn recourse to war for the solution of international controversies, and renounce it as an instrument of national policy in their relations with one another."

Article Two read:

"The high contracting parties agree that the settlement or solution of all disputes or conflicts of whatever nature or of whatever origin they may be, which may arise among them, shall never be sought except by pacific means."

But in a few years, Japan attacked China. Italy attacked Ethiopia. Germany began the Second World War.

The lot of pretty phrases soured and was forgotten. They may only have served to lull contented people into a false sense of security.

It cannot be denied that the Kellogg-Briand Pact had many weaknesses. Countries signing it apparently had little desire to live up to it.

Some could recall that adherence to the Pact in 1776 would have prevented the American Revolution.

Even today, people in Java, French Indo-China, India and elsewhere, appraising the 1928 pact, might have similar objections, although it can be established that the pact didn't ban the resort to war in self-defence.

Added to the weaknesses was the consistent adage that international law just wasn't enforceable. Teeth were missing in the pact. The framers were not realistically attuned to the discord and grumble of their time.

The United States Senate, although the Kellogg-Briand Pact originally sprouted as an American concept of world peace, ratified the treaty only after it stressed that such ratification wouldn't curtail America's right of self-defence, that no obligations would be assumed which were incompatible with the Monroe Doctrine, that the United States could not be bound to take action against any State that broke the treaty.

These were mighty stumbling-blocks to men's good intentions in the twenties.

So today, a defeated enemy, in a hapless position, draws up a constitution which outlaws war.

Perhaps sheer necessity is pioneering an elightened and sound policy for Japan. But it remains to be seen whether the latest document will be so forgotten tomorrow as the Kellogg-Briand Pact is today.

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Distant, Lofty Sikang, Home Of The Yak, Being Developed

By PAUL R. SUNG

ON January 1, 1938, the age-long neglected frontier territory of West China was inaugurated as a new province by the National Government, under the name of Sikang, with its capital at Kangting. The "Baby Province" is a huge country comprising an area of 535,474 square miles of rich, rolling grasslands, and a comparatively small population — 968,187.

Upon the request of the National Committee of the Y.M.C.A. in China, three secretaries were invited to form an investigation deputation to proceed to Sikang. Our main object in going was to study the social and economic life of the people, as well as the desirability and feasibility of establishing Y.M.C.A. work in the province.

The road to Sikang is difficult. A round trip from Chungking took us 14 days on "Hua-Kan" (bamboo sedan chair), four days in motor buses, four days on horseback, two days on bamboo rafts and one hour and 25 minutes in an airplane. Thus one making the journey has to combine the most primitive with the ultra-modern in transportation.

Trip Stimulating

On May 27, 1940, our party started off from Chungking and the last outpost of civilization reached by motor bus was Ya-an. There my mind was stimulated by the westward march to Kangting, which is eight stages away by sedan chair. Four high passes must be crossed, three of them more than 9000 feet, and one more than 14,000 feet in altitude. The roads are rough, and the average elevation of the terrain increases as one proceeds westward. The weather is pleasantly cool. We did the journey quietly at the rate of about 25 miles per day, stopping where the surroundings are attractive. We did not hurry as we had to cross ridges alongside a mountain torrent. The entire journey was full of excitement and interest.

On the afternoon of the third day after leaving Ya-an, we reached the top of the first high pass. Looking westward I saw one of the most wonderful views I have ever seen. There were rivers that had carved out of irregular valleys, beyond which were snow-clad mountains.

At Lu-Ting city, there is a suspension bridge across the Ta-du river composed of nine heavy iron chains, with thin boards underfoot on which to walk. The bridge sways and wobbles as one goes across.

8,500 Feet Above Sea Level

Wa Sze Kou is about 20 miles from Kangting. It is 5000 feet up while Kangting is 8500 feet above sea level. In these 20 miles the river falls 3500 feet, and everywhere is a rushing torrent of unlimited potential hydro-electric power. No one dares attempt to cross except via a bridge or on a strong bamboo cable.

On the eighth day we reached Kangting, formerly known as Tatsienlu. It is the gateway to the vast areas of west Sikang and Tibet, the main meeting place of the Chinese and Tibetans. The city is situated at the junction of two streams, and is surrounded by mountains. It is the only large town in Sikang. It is, comparatively speaking, a small place, but to all Sikang it is a very important center. It may be only a village in the eyes of the outside world, but it is the center of things to Sikang. It has a half-Chinese and half-Tibetan air. As the capital city of the province, it is home to all the highest military and political leaders.

3 Population Groups

Large caravans of yak, horses and oxen are constantly bringing medicine, wool and hides from the interior of Sikang and Tibet and taking back loads of tea, tobacco, silk, cloth and paper, all securely packed in boxes and covered with yak skin. It is estimated that the population of Kangting is approximately 20,000, comprised of three approximately equal parts, Chinese, Tibetans and a mixture resulting from the marriage of Chinese men with Tibetan women. Many Tibetans have married Chinese. The people are used to the Chinese.

Kangting is not really a town, for it is too small. Only a few paces in any direction and you are out in the open, on the mountain side, or on the great highways, and there is nowhere in it from which you cannot see the open country. The mountains on each side are very close, and you can quite clearly see the cattle grazing on the hillside, people walking about, woodcutters coming and going from Yu Lung Kung, and some processions of lama priests and people circling the hills. The sky seems so low as to press down upon you, like the roof of a house, not the open vault of heaven. On account of the high altitude Kangting is a pleasant place in summer. There are three famous mineral hot springs around Kangting, where you may bathe, summer and winter alike, in the open.

Grasslands Vast

One excursion was made, southwest across the Cheto pass, height 14,500 feet, to An-leung-ba, which is at the edge of the steppes or grasslands that extend hundreds of miles to the border of Tibet and India. There one can see something of the life and customs of Tibet. We had been to the great grasslands of Men-ya, and had camped four nights with nomads in the mountains. The altitude is 14,000 to 15,000 feet above sea level.

From a point in Yu-lun-kung one can see the majestic snow-capped mountain ranges, varying in height from 21,000 to 26,000 feet, dominated by Minya Gongka, the tallest peak in Sikang, rivaling the Himalayas in height and grandeur, and said to be second only to Mount Everest. I said to myself, "If I should see nothing else, this sight alone would compensate me for taking the entire journey." Here one can see the vastness of the country. It is a month's journey on horseback to cross the width of Sikang and another month to cross its length to Lhassa.

It is a country of great mountains and broad uplands and sheltered valleys. Ascend to some point of vantage, the top of some lofty pass, and look around you. Mountain ranges stretch line upon line in all directions as far as eye can reach. You are above the clouds and so are they, and you seem to be on a level with them and the whole world seems to be made up of mountains. The valleys are lost to sight except those immediately below you. You are looking at Sikang as you might look across New York City from the top of a skyscraper.

Rivers Everywhere

Here and there some great peaks stand out like giants among their fellows. It is like Buddha sitting in meditation on a lofty dais. Snow is everywhere on the dais and it stands out purple in the strong sunshine and seems to touch heaven itself. Such are the sacred mountains where the pilgrims go and tradesmen and which the caravans traverse. No one can climb such a mountain, not even a wild goat could reach its peak. Travelers do not climb it, but wind their way around it, keeping as near to it as they can. The circle is wide. They go up and down the mountain walls that hem it in on all sides, in and out of valleys, always keeping it on their right and within sight as long as possible—the days spent trudging along and the nights often in the open—until the circuit is completed.

Winding their way among the great mountains everywhere are rivers, fed by countless torrents and cascades from the snow above. Great rivers such as the Golden Sand River, Ming-Kiang and the mighty Yangtze River pass through Sikang from Tibet, and there are many small rivers and streams. Often they run in deep canyons, roar through narrow gorges where you must shout to make yourself heard, or flow through wide valleys.

Farms, Hamlets Aplenty

In all these valleys and ravines you will find farms and hamlets in which the agricultural population lives, sheltered from the winds by mountain walls.

There are great expanses of broad uplands, watered by wide placid streams, undulating downs where you may wander in any direction for days on end. These are grasslands where the nomads live in tents. Such uplands are treeless, being too exposed

for trees to grow. Nothing grows but grass.

Most people think that Sikang is a cold and desolate land. Actually the winter cold of Sikang has been greatly overdrawn. The winters are not colder than Peiping's. The sun is almost always shining; snow and rain may come, but the sun is soon back again.

In the summer the whole country,—valley, mountain, upland, heath and moor, forest and grove and glen, park and ravine—is clothed in green. And there are flowers everywhere, on the mountain sides, on the river banks, and in the long grass, flowers in great profusion, of many kinds and every shade of color. The beauty and variety of flowers is almost unbelievable. There are wild peonies, carnations, and poppies, several kinds of buttercups, blue and yellow violets, and a wonderful variety of blue, white, yellow, red and pink flowers. There are different kinds of flowers at different altitudes, but everywhere an abundance of them. Meadows are generally so covered with flowers that they resemble beautifully-colored quilts.

Delicious strawberries grow wild all over the mountains. Wild gooseberries and wild rhubarb are to be found. There are pheasants in large numbers and not a few wild animals. The country is like a great garden swung from the mountain peaks. The snow-mantle of winter is not less lovely. White where green was, and snow and hoar-frost where the flowers were. And the trees look like Christmas trees hung with glittering silver, and all the country is still. It is an ideal place to visit in winter as well as in summer.

Tribes Live In Open

Sikang's tribes live in the open air. They are not townspeople. They live in small hamlets, in farms and in camps. Apart from the great priesthood there are the main occupations. The lands are wide, the people few, and there is room to spare. The life of the farmer is more comfortable than that of the tent-dweller, for he lives in a house and in the warm valleys. The tent-dwellers occupy any country not used for agriculture. Most of them live on the great grasslands while some pitch their tents and graze their cattle on the mountain slopes. Most nomad camps consist of but a single tent, others are of two or three, some have a score or more. The larger camps may have thousands of cattle, a small one several hundred. The tent is made of yak-hair canvas.

The animals are oxen, cows, sheep and horses. The Tibetan ox, called the yak, is a strong and heavy animal, with high withers, broad back, big horns, long-haired coat and bushy tail. They have great strength and endurance. They are thus valuable for transport and farm work.

The staple food is Tsamba flour made from ney, a kind of barley, which is the chief cereal. All farms grow it. Next is maize. Rice, however, does not grow in Sikang. The chief drink is tea, imported from Szechuen, because it does not grow in Sikang. The people take butter or milk in their tea. All tea is boiled in the kettle.

One In Four A Lama

There are many lamas in Sikang. The people consider lamahood the highest vocation a man can follow. No respect is more genuine than the people's for the lama, and no Sikangese is so poor that he can spare nothing for a lamasery. Practically every family wishes to have at least one of its sons become a lama and many families have more than one son in a lamasery. The family with none at all is sad. Thus one-fourth of the Sikangese are lamas. Only the lamas are educated, the purpose of the schools being to enable the lamas to read the sacred books.

The lamas live for the most part in the lamaseries. A lamasery is a precinct comprising church halls and lama's houses. Some are large villages in themselves with many buildings, and hundreds, even thousands, of lamas in residence. A lama lives in a lamasery much as anybody lives in an ordinary village. He has his own house or rooms and provides his own food. He is supported not by the lamasery, but by himself or his family. Most lamaseries possess lands and cattle, the produce of which meet their expenses, and they have also the offerings of the people. The lamas also carry on trade and do buying and selling, too. Most of the import and export business is in their hands.

Selflessness Ideal

I had an interview with the highest lama of south Sikang, a good man, high-souled, unworldly, serene. Most of the lamas unfortunately are not men of his high principles and ideals. Many became lamas out of sloth, seeking a life of ease, free from work and care. This highest lama said to me: "It is one of the great differences between modern civilization and lamas that modern society admires the man who achieves worldly success, who pushes his way to the top in any walk of life, while the lamas admire the man who renounces the world,—modern man, the successful man; we lamas, the saint."

The lamas set the example of living to the ideal of selflessness. They devote their lives to the people. They live very simply. They are abstemious, wear simple clothes, the flowing maroon robes of their order. They do not want fine houses,—a roof over their heads or no roof, it is all the same to them. They have no amusements, their work and their play is one and the same, to pray and to help, and they seek no rewards. Almost all spend a great portion of the day in seclusion and meditation.

Development Proceeding

For centuries Sikang was a hermit land governed by many different tribes, because of their isolation on the roof of the world, these solitary people have been inaccessible even to the Chinese. Now, Sikang no longer is the hermit land it used to be. Very gradually it is being opened up by the new provincial government leaders, with many scientific, technical and mechanical experts from the National Government to help the development of communications, mining, herd-breeding, afforestation and education. It is an unexplored hinterland of China. It will soon become a useful and productive country, perhaps vital in China's economy.

By next summer one will be able to get to Kangping direct by motor bus over the newly-constructed highway from Chungking, within four days. And in the near future, one will be able to travel to Lhassa by motor bus within 10 days instead of 64 days as we did on horseback.

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Soviet Army Withdraws From Mukden City

FOLLOWED by more than three weeks of nation-wide demonstrations, two notes from the American Government and conflicting reports from Manchuria, especially Mukden, the Red Army began the withdrawal of its troops from that city and officially handed over the administration and garrison duties to the representatives of the Central Government.

Although certain quarters attempted to distort the situation by querying the motive of the Soviet withdrawal and the non-handing over of the city to the Nationalist forces, later dispatches confirmed that Chinese Government troops were in effective control of Mukden, with the Communists occupying at most only one section of the city. The Soviets apart from handing over the city formally also asked the Chinese Mayor to take care of Soviet commercial establishments in the city.

Large scale fighting and minor skirmishes were alternately reported from that area, but official reports were lacking to confirm the extent of Nationalist-Communist hostilities, if any existed at all.

The Russian withdrawal was closely followed by an agreement to dispatch Sino-American field teams to enforce the cease-fire order throughout the Northeastern territory. While General George C. Marshall flew to Washington to confer with President Truman, an agreement was reached to extend the truce to Manchuria. On his way, General Marshall stopped over at Tokyo, conferred with General Douglas MacArthur and members of SCAP.

The Russian withdrawal from Mukden was interpreted by some to be only a partial evacuation of the Northeast and a direct result of the "pressure effected" by the United States Government, the Chinese Government and public opinion. Other quarters were inclined to view this move as the beginning of the complete evacuation of Manchuria.

Meanwhile, the Chinese New First Army of Burma fame, is prepared to move northward from Kwangtung province to reinforce the army of General Tu Yu-ming. The latter was reported as being in a Peiping hospital suffering from kidney trouble. His present forces are reported to be only 100,000 strong in the southern part of Manchuria and in Mukden.

* * *

Synthetic meat, manufactured from wood has been discovered by Professor Bergius of Vienna, inventor of synthetic oil,

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NEWS OF THE WEEK

Chung Hsin Coal Mines To Operate

THE long-closed Chung Hsing coal mines at Tsao Chuang may soon be reopened as the result of decisions reached by the committee of three in Hsuchow last Saturday.

The area of the Tsao Chuang mines, which produced nearly 3000 tons of coal daily last year, is occupied by both the National and Communist forces, facing each other in an uneasy armed truce leaving the mines idle. Efforts of the Executive Headquarters to reopen the mines were fruitless because of a dispute over ownership, operation and implementation of the cease-fire order.

The stalemate was finally dissolved by the order of Gen. Chang Chih-chung, Gen. Chou En-lai and Gen. G. Marshall to form immediately an operating committee of one National Government representative, one Communist representative and one Chung Hsin company representative to supervise repairs and operations.

The committee of three agreed to order both forces to withdraw from the area around Tsao Chuang. Methods for effecting this withdrawal, which will clarify the atmosphere considerably, are studied by team number four.

Other problems in the resumption of operations, the acute food shortage in the area occupied by National troops and the destroyed rail tracks leading to the mines, were solved by obtaining permits for civilians to enter the area as repair crews or bringing in foodstuffs.

The main or south shaft of the mines, including the vital machinery was held by the 29th Army, while the New Fourth Army held the east and north shafts. The north shaft is still flooded, but it was estimated that two of the three main shafts could be restored in one month's time after work has started.

Indonesians Protest Dutch Troop Landing

FOLLOWING the embarkation of some 1000 Indian troops at Batavia, said to be the carrying out of the British policy of handing over Java operations to the Netherlands Government, Dutch troops were landed on the island. Dr. Sjahrir, Minister of Foreign Affairs of the Indonesian Republic lodged a protest with the Dutch authorities and said that this landing is a "violation of the sovereignty of the Republic of Indonesia."

Although negotiations, which were started between the Indonesians and the Dutch following the reorganization of the Indonesia cabinet were expected to bring results, the landing of Dutch troops is considered to have removed the possibility of an early settlement.

The resignation of the nine-man cabinet last week and the formation of a new cabinet by Dr. Sutan Sjahrir was interpreted as giving foundation for renewed negotiations with the Netherlands Government. While skirmishing continued between British troops and Indonesian artillery, the Government reiterated its desire for complete independence of the Republic without "the aid of the Dutch."

The reorganization of the Cabinet was said to have given young Sutan Sjahrir more scope and freedom in his talks with the Dutch, without having to refer continually to the Jogjakarta the Nationalist Movement headquarters.

Dutch proposals for Indonesian independence in the future and an autonomy in the Netherlands Commonwealth, initially proposed by Queen Wilhelmina earlier in the year, appeared to be totally unacceptable to the Indonesians.

New Viet Nahm Govt Formed In Indo-China

FRENCH troops carried on troopships and escorted by warships detailed to take over garrison duties from Chinese forces in north Indo-China were embroiled in a three-hour artillery battle with Chinese forces in Haiphong. The whole incident, which was finally settled two days later, occurred owing to a misunderstanding between both forces and casualties are reported to have been inflicted on both sides, French losses said to be 18 killed and 40 injured.

Following the takeover, which proceeded without further incidents after the situation had been cleared, French rule was reestablished all over Indo-China. The newly formed Viet Nahm Republic headed by Ho Chi Minh, chief of the Viet Minh, Indo-Chinese nationalist movement, was announced by the French in Saigon. The names of 18 new ministers were cabled to Admiral D'Argenlieu, French High Commissioner in Indo-China. The French recognized the new republic as a free state forming part of the Indo-Chinese Federation in the north of the country.

The French declared that they would leave the Annamite Nationalist Republic (Viet Nahm) as soon as the Japanese in that part of the country were repatriated, the deadline being set 10 months hence. Remaining French forces in Indo-China will be reduced by 20 percent annually and will be completely withdrawn in five years.

An interesting occurrence was reported from Saigon last week prior to the recognition of the Viet Nahm Republic. French soldiers shaved the head of a woman member of the French services and having bound her hands behind her back paraded her through the city's streets. She was charged with having signed a document, published in a Socialist paper put

out by the Annamites, which called for the cessation of attacks on the Nationalists and recognition of the Viet Nahm Republic. The sattement was also signed by many prominent French leftists.

Shortly afterwards, the offices of the Saigon Communist newspaper were wrecked by servicemen for propagating similar measures.

SLAIN OFFICIAL

Chang Hsin-fu, who was murdered by a gang of unidentified Chinese assailants while on his way with his assistants from the Fushun mines. Photo shows bayonet wounds inflicted on the engineer by the murderers who have not yet been located.

Complete Evacuation Of Egypt By British Asked

AN immediate withdrawal of British forces from the main Egyptian cities and an eventual evacuation of Egypt and the Sudan to enable the unification of the Nile valley was the demand presented to the British Government by 70-year-old Prime Minister Sidky Pasha in two notes dispatched last week.

A bomb exploded in a Cairo cinema during the performance of a British film and one woman was killed and a score of persons injured. Anti-British sentiment was manifested when students approached shop keepers requesting them to change all their signs into Arabic.

The British denied that they had given the Egyptian Government a time limit wherein to restore peace and order, as had been stated by Minister of Social Affairs Abdul Pasha.

Lord Killearn, British Ambassador to Egypt was due to leave for a new post as Special British Commissioner to South Asia.

Cairo and Alexandria were still out of bounds for British troops as police and Egyptian army personnel stood by in case of further disturbances.

The Egyptian Supreme National Council demanded that Sidky Pasha notify Britain that negotiations should be based on the premise of a complete British withdrawal from Egypt and the union of the Nile valley.

Second Session Of CEC Story With Discussions

FOLLOWING the opening report of Secretary-General of the Central Executive Committee Wu Teh-chen on Kuomintang Party affairs, lively discussion of the impending conclusion of one-party rule in China, the institution of a coalition government and national affairs were aired at the plenary meet.

A drastic overhaul of the party machinery was asked of some 300 members of the Central Executive Committee by Generalissimo Chiang Kai-shek, who said that the present affords the best opportunity to readjust and renovate the Party.

A report from Chungking indicated that certain rightist members of the Koumintang proposed the dismissal of General Feng-Yu-Hsiang, Foreign Minister Wang Shih-chieh, Szechuen Governor Chang Chun and Secretary General of the Political Consultative Council. These demands were based on charges of disloyalty to the Party. The quartet is generally considered to comprise the liberal members of the Party. Foreign Minister Wang was also attacked for his alleged "secret diplomacy" regarding Manchuria.

Further attacks were directed by the rightist members against the poilcies of the Ministries of Finance and Economics. A dismissal of Economics Minister Dr. Wong Wen-hao and the rejecion of the Economics report were demanded by these members.

D. T. V. Soong, President of the Executive Yuan, attending the session, was subjected to severe attacks from a number of party members who declared that as Premier he should be held responsible for the current situation and the failure of his ministers.

Jews Continue To Fight British

WITH the arrival of the Anglo-American Commission of inquiry into Palestine last weee serving as background, armed Jewish groups continued attacks on British military camps and instalations.

The liquidation of a Jewish colony situated near an Arab camp which had been attacked on the previous day, was announced by the military commander of the Haifa and Galilee areas. The commander informed the Jewish Council that the colony at Biria has been "liquidated, confiscated and occupied by the Army," with all men being arrested. This action on the part of the British is feared to cause resurgent attacks on the part of the Jews.

Fierce shooting was reported from one section of Tel Aviv. Curfew was imposed in Rishon le Zion and Rehovoth, two Jewish towns neighboring on Sarafand Camp which was attacked by armed groups shortly after the arrival of the Commission of Inquiry.

New Japanese Basic Law Promulgated

THE draft of a new Japanese constitution announced by the United States War Department last week is said to deprive Japan of the possibility of keeping a standing army and waging war on neighboring nations as a means of settling extant disputes. General Douglas MacArthur, who issued a statement together with the promulgation of the proposed constitution, declared: "It is with a sense of deep satisfaction that I am today able to announce a decision of the Emperor and Government of Japan to submit to the Japanese people a new and enlightened Constitution which has my full approval."

MacArthur further stated that the constitution places sovereignity "squarely in the hands of the people." It places an adequate check upon the elected legislature and the executive and judiciary branches and leaves the throne without governmental authority or state property and subject to the peoples will.

The general also said that the document provides for and guarantees to the people fundamental rights and severs for all time the shackles of feudalism. "It is throughout responsive to the most advanced concept of human relationship.

Public reaction in Japan indicated that the constitution will be adopted with minor changes only. Most of Japan's political parties, with the exception of the Socialists who are still studying the document, have voiced their agreement and support for the revised fundamental law. The Communist Party has objected to this revised document and has pointed out that the draft was prepared by the Shidehara Cabinet, whose activities the Party does not favor.

Wheat Shortage Due To Small 1945 Crop

THE smallest wheat crop since 1929 was registered last year with a little more than 5,000,000,000 bushels produced. The largest crop decrease was registered in Europe, where the harvest was some 38 percent below average pre-war harvests.

This shortage has caused not only regular wheat importing countries to ask for more wheat but former wheat exporters are likewise short of their normal output. Low rice production has forced India, China and Japan to seek wheat imports to bolster food deficiencies. Wheat allotments to Germany and Japan are reported to have been cut considerably to help meet India's large request.

Russia's wheat crop this year is reported as being good and this is indicated by falling food prices and the French request for 500,000 tons of wheat to fill the shortage experienced in that country and all over Europe.

What U. S. Papers Say...

CHURCHILL

THE majority of American newspapers reacted critically to Churchill's call for an Anglo-American alliance. The New York Herald-Tribune expressed the belief that his effort had "miscarried." While the speaker's apparent purpose was to forge a strong Anglo-American coalition as against Kremlin policies, the paper declared that what he had succeeded in doing was to drive home the realization of "extreme and urgent importance of getting real Big Three understanding....." To achieve this the Western Powers must, indisputably, show strength of purpose, but they cannot begin with vituperation "not even when it is clothed in the splendors of Mr. Churchill's press style."

The San Francisco Chronicle disagreed with Churchill's proposal to mend the breach among the Big Three. "If a durable peace is to be achieved bloodlessly, it must be done at the conference table, to which each side brings an honest appreciation of the other fellow's viewpoint as well as a firm conviction of his own. We are unwilling at this stage to admit that world peace can only be preserved by resorting to the old balance of power game."

The Washington Star said that if Churchill's fraternal association or anything like it comes into being, "we must expect the Russians to strive mightily to counterbalance it." If the two powers are not prepared to equal Russia's effort Churchill's "fraternal association" could prove to be a tragic liability rather than an asset.

The Boston Globe declared that the American nation is an English-speaking nation but not an English nation. It is a mosaic of races, a vast amalgamation of cultures, a unity of diversity. "So long as it shall remain true to its heritage and be mindful of the real foundations upon which its world policy must rest, it need not fear."

The Chicago Tribune felt that Churchill's suggestion for an Anglo-American bloc was made to save the British Empire.

The Chicago Sun said Churchill sent a trial baloon for the maintenance of the past world order by threat and alliance. The President should do his utmost to re-establish the confidence of the Allies without which settlements by agreement become impossible.

* * *

Iran

The New York Times thought that the case of Iran is a test for the United Nations Organization. In many aspects it resembles Russian action in Manchuria. "The Russian Government claims no new agreement or consent by the Government involved to justify its action."

The Washington Post declared that Russia's decision to continue occupying Iran was "profoundly disturbing." Russia's unilateral actions in a part of the world where the interests of other countries are as great as her own, the Post declared, is a grave threat to Allied harmony in the post-war period.

The New York Herald-Tribune thought that the new trend advocated recently which called for "friendly firmness" in dealing with Russia, has not yet had time to take effect. The resolute action by Russia to impose her own "democratically legalistic solution" in Iran has brought forward charges from the Western democracies similar to those which Russia has directed at them on their lukewarm attitude toward Franco.

"We shall have to get down to the basic business of constructing a working relationship between the two great systems—Russian and Western—which are fixed facts in the world and yet which are not so profoundly antithetic in their assumptions, attitudes, definitions and methods. This is the real center of the peace problem."

* * *

Manchuria

The New York Herald-Tribune asserted that the prolonged Russian occupation of Manchuria was clearly a violation of those legal engagements which Soviet Russia has always been so insistent upon observing to the letter. It is not unfriendly to ask Russia for an explanation, for only by asking will it be possible to establish the real focus of the trouble."

The New York Times, discussing the State Department notes to the Soviet Union, said that the United States opposed that country's demands for industrial equipment in Manchuria as "war booty" on the grounds that its ultimate disposition is of common interest to all Allies entitled to reparations. Pending the Allied agreement on Japanese reparations, the industries in Manchuria which formed Japan's arsenal on the Asiatic continent, remain in the joint possession of the Allies, and no one can properly challenge China's first claim to them.

As for the open-door policy, the Times continued, China is a signatory of the Nine Power Treaty, although Russia was not. In dealing with applications for economic rights and privileges from foreigners, whether parties to the present treaty or not, China has obligated herself to be guided by the open-door principle. As the result of this treaty China is not in a position to accede to Russian demands without violating her own treaty obligations, the Times said.

EVENTS IN BRIEF

The Chinese government has signed a number of contracts with British shipping companies to lease ships which will fly British flags since the British government pays transportation expenses as goodwill help to China relief work.

* * *

Information Minister K. C. Wu, announced last week the immediate abolition of press censorship on all incoming and outgoing dispatches and of all local newspapers and publications in reareas.

* * *

All German citizens in China, except those considered as important Nazi war criminals, will be repatriated from China, unless their desire to stay will be approved by the Minister of the Interior.

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The forthcoming demobilization and reorganization of the Chinese army will reduce the number of commissioned and non-commissioned officers from the present 800,000 to 100,000.

* * *

The Soviet Union, through its ambassador, Adm. Rodionov, offered to send shipments of grain to Greece, provided the Soviet merchant marine may set up its own bases in the Dodecanese.

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CNAC enforced a new ruling last week according to which only officials assigned to duties in North China will be granted priority in transportation.

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A two-way agreement with Russia was aired by A. V. Alexander, First Lord of the Admiralty, in the House of Commons last week, when he spoke of Ernest Bevin's proposal to extend the existing Anglo-Soviet treaty.

* * *

General Anders' Polish refugee army of 107,000 men now in Italy will be demobilized in April and various units of the army have received specific instructions.

* * *

International Women's Day was observed in Shanghai by a parade of Chinese women through the city's streets, a rally held at the Grand Theater, presided by Miss Chien Chi-chu. Mayor Chien was guest speaker and stressed that the "family was the foundation of the nation."

Moscow Radio declared last week that the United States has violated the "Moscow decisions," in suggesting "new conditions for a representation of opposition parties in the Bulgarian Government presented in a recent note from the United States.

* * *

The delay in the sailing of the British steamer Esang to Hongkong was caused by the sale of additional tickets by a compradore who gave receipts for CNC$50,000 to prospective passengers. While the ship's accommodation is only 300, more than double that number prepared to travel through the courtesy of the compradore.

* * *

All American citizens who are members of the Communist party will henceforth be barred from holding commissions in the army and undertakings having contact with radar or atomic energy installations, the War Department announced late last week.

* * *

Two women were dragged from a house by a mob in the Italian town of Andria during recent disorders last week. They were lynched by the crowd on suspicions of having sniped from the windows of their house.

* * *

The re-demarcation of Szechuen Province is planned by the Government. The province will be divided into three new provinces, namely: Chuentung, Chuensi and Chuennan. The capitals of these areas will be: Nanchung, Chengtu and Luhsien, respectively.

* * *

Mongolian representatives in Peiping declared last week that they had been denied a demand for complete autonomy in "accordance with the Atlantic Charter and the Generalissimo's promises of self-rule for any of the races in China desirous and capable of such..." They have also been denied the privilege to petition the Government by the Northeast headquarters, they said.

* * *

Serious clashes were reported from Kuala Kangsar between Malays and Chinese in two villages near this town. The report said that several houses occupied by Chinese were burned down and a number of residents injured.

* * *

The Iranian Premier Ghawam Es Sultaneh, concluding the negotiations in Moscow, returned to Iran to report to his government on the results arrived at during the two-week long parleys with the Soviet Government.

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Strikes, Riots In India Continue

CROWDS several thousand strong were fired upon by police in New Delhi after rioters burned down the electric sub-station, post office and railway station attacked the townhall and looted a ration shop in the city. A victory celebration prepared by the British aroused demonstrations and crowds milling in the city's streets called for a boycott of the parade which was to be led by General Sir Claude Auchinleck. In Patna, a police station was surrounded by some 300 Adibasis, men of a primitive tribe of aborigines, who showered the station with arrows and brickbats.

Food rioting broke out in Madras as crowds raided grain shops and ration offices in several districts in South India last week.

The disturbances and riots that broke out in a number of Indian cities followed by students' demonstrations and army revolts spreading to places where comparative calm previously prevailed.

More than 1000 students marching through Lahore stoned the car of Governor Sir Bertrand Glancey, breaking the windshield. The Governor sat in the car throughout the attack but was uninjured and drove on after the stoning ceased.

In Jubbulpore some 2500 Indian soldiers revolted marching out of their barracks, and bamboo sticks, bayonets and revolvers were used to stop them. The demonstrators carried Congress Party and Moslem flags in a street parade.

In Bombay, Pandit Nehru declared that India wished a peaceful solution to her problems and intimated that it were best for the British to leave the country now, rather "than be forced to recognize India's independence some years later, after having lost everything."

The demonstrations of Indian Army men in Jubbulpore were in sympathy with last week's seamen's strike, who protested against color discrimination in the Indian navy. The parade in Jubbulpore was designed to protest, likewise, the court-martial sentence of a captain of the Indian National Army.

A mob stopped the Indo-Ceylon express by laying cement blocks across the tracks and six constables and three civilians were injured in the ensuing riot. In Madras six persons were wounded in a similar attempt to stop a train.

In an address before an estimated 200,000 people Nehru declared in Bombay: "Our armed forces have every right to revolt against foreign rule in order to achieve freedom of the country."

Who's Who in China

DR. Y. M. CHIEN, banker and government official; native of Wuhsin, Chekiang, born at Shanghai, July 20, 1885; B.A., Pei Yang University; Bachelor of Commerce, Commercial College, Kobe, Japan, 1910; LL.D. Honorary Degree; manager of the Bank of Communications, Shanghai

Dr. Y. M. Chien (Chien Yung-ming)

錢永銘字新之

Branch, 1919-21; up to 1922 he held the following positions: vice-president, Shanghai Bankers' Association; director, Chinese General Chamber of Commerce; director, Peking Bankers' Association; director, Hua Feng Cotton Mill, Shanghai; director, Poo Tung Electrical Works Company; director, Southeastern University, Nanking; director, Chi Nan College and director, China Vocational Educational Association; assistant general manager, Bank of Communications, 1921-24; during different periods he served as president, Joint Savings Society; managing director, Bank of Communications; supervisor, Chekiang Provincial Bank; director, Bank of Agriculture and Labor; managing director, Manufacturers' Bank of China; director, Shanghai City Bank; general manager, Banque Franco-Chinoise pour le Commerce et l'Industrie; president, Tai Shan Brick and Tile Co.; director, Sin Wan Pao;, vice-president, China Express Co.; director, China United Assurance Society; director, Eastern Life Insurance Co.; trustee, St. John's University; trustee, Shanghai College of Law; director, China Vocational Educational Association; trustee, Shanghai North Public School; trustee, National University, Peiping; trustee, Nanyang Middle School; trustee, Nanyang Model Primary School; vice-council chairman, Red Cross Society of China; director, Chinese Ratepayers Association; member of Chekiang Provincial Government, member of reconstruction committee of the National Government; at present he holds the following positions: chairman, Bank of Communications; director, Chekiang Industrial Bank; director, Kincheng Banking Corporation; director, Continental Bank; director, Central Bank of China; director, Bank of China; general manager, Chung Hsin Coal Mine Co.; member, People's Political Council; assistant general manager, the Four Bank Savings Syndicate; standing director, Ming Sun Industrial Co.; General Manager, China Pacific Insurance Co.; Publisher, Sin Wan Pao; address: Head Office, Bank of Communications, Chungking, Szechuen.

PEOPLE IN THE NEWS

CHIANG CHING-KUO, the Generalissimo's Russian educated son, who played an important part in Sino-Russian negotiations as special diplomatic commissioner for the Northeast, is to be appointed chairman of the Sinkiang Provincial Government.

* * *

ROBERT P. PATTERSON, United States War Secretary, asserted last week that the nation would be put in "direct peril" if the new atomic control legislation failed to safeguard secrets of the bomb's manufacture.

* * *

WANG SHIH-CHIEH, China's foreign minister, target of severe attacks at the current Kuomintang Congress for his alleged weak-kneed policy toward Russia and conciliatory attitude toward other Chinese political parties, is intending to resign.

* * *

GENERAL DOUGLAS MACARTHUR, Supreme Allied Commander in Tokyo, laid down foundations for a democratic Japan last week, when he put his seal of approval to the country's peace constitution.

* * *

ISAMU ISHIHARA, onetime Japanese civilian interpreter in the Woosung-Kiangwan POW Camps, was sentenced to "confinement at hard-labor for life" last week by the five-man Military Commission at the Ward Road Jail. The Tribunal found him guilty of torturing and maltreating American prisoners-of-war.

* * *

DR. QUO TAI-CHI, former Minister of Foreign Affairs, left last week for the United States to assume the post of China's Resident Representative to the UNO Security Council.

* * *

HAROLD L. ICKES, former Secretary of the Interior, was summoned by the Senate Naval Affairs Committee last week, to reappear for cross-examination as part of the defense of Edwin W. Pauley, whose nomination as Under-Secretary of the Navy is opposed by Ickes and other quarters for his alleged large oil interests.

* * *

CLINTON P. ANDERSON, United States Secretary of Agriculture, said last week that it is impossible to prevent starvation everywhere, and available grains must be shipped where they can save the most lives.

* * *

WINSTON CHURCHILL, Britain's wartime Prime Minister, last week called for an Anglo-American alliance to prevent another "catastrophe" in view of the Soviet Union "seeking indefinite expansion of its power and doctrines."

* * *

D. M. YAP, head of the Philippine Chamber of Commerce in Washington, declared last week in Los Angeles that people of the Orient will react unfavorably to Churchill's idea, adding that "We are a Christian people and the anti-Christian policy of the Communists will never be excused."

* * *

OWEN LATTIMORE, political adviser to Generalissimo Chiang Kai-shek in 1942, and director of the Walter Hines Page School of International Relations at John Hopkins University, told the delegates of the 17th annual convention of the YWCA in New Jersey last week, that United States-Soviet rivalry in China can be avoided only if China is able to stand wholly independent of both.

PRESIDENT HARRY S. TRUMAN, welcoming the representatives of more than 40 nations at the international monetary conference at its opening session last week, urged the conference to lay the economic basis for future peace.

* * *

FRED M. VINSON, United States Secretary of the Treasury, in a message of welcome at the international monetary conference last week said that "in order to free our homes from the spectre of the next and perhaps last war, strong cords of universal economic and political justice and security must be woven into the fabric of collective peace."

* * *

WILLIAM McCHESNEY MARTIN JR., President of the U.S. Export-Import Bank, formerly president of the New York Stock Exchange, told the Senate Banking and Currency Committee last week, that he stood "unequivocally in support of the proposed loan to Britain.

* * *

DAVID ZASLAVSKY, Soviet Union's critic of the foreign nations, last week urged closer understanding between Anglo-American democracies and Russia.

* * *

ELEANOR ROOSEVELT, widow of the late President of the United States, said last week that she will ask admission into the Soviet Union as a journalist this summer.

* * *

ADMIRAL WILLIAM H. STANDLEY, former United States ambassador in Moscow, bitterly attacked anti-Soviet articles and speeches, saying that the United States attitude toward the Soviet Union was an obstacle to a better understanding between the two nations.

* * *

WILLIAM Z. FOSTER, leader of the American Communist Party, comparing Churchill's proposal to Hitler's plan against Communism and attacking the United States foreign policy as constituting a series of aggressions, cited the question of the atomic bomb, the presence of United States troops in China and the "blessing of Mr. Churchill's speech by President Harry S. Truman."

* * *

GENERALISSIMO CHIANG KAI-SHEK, presiding at the Kuomintang Congress last week, urged a cessation of attacks against individual members of the Government over the agreement reached at the recent inter-party conference which paved the way for the forthcoming coalition Government.

* * *

ELLIS PATTERSON, Democrat of California, challenged the wisdom of power politics which "brought war, destruction and misery to the human race" in the House of Representatives last week, and described Mr. Churchill as "dead wrong" in attempting to revive the old game. As a result of the airing of critical views by almost all the Congressmen, a resolution denouncing Mr. Churchill's prosposal for an Anglo-American military alliance and urging firmer support for the UNO was introduced.

* * *

MAJOR-GENERAL F. W. FESTING, Commander of the Legion of Merit, stated during that press-conference at the H.B.M. Consulate General last week that due to his constant contact with the Chinese forces in Burma, he does not feel a stranger in Shanghai.

Market Steady, New Measures Take Effect

LOOKING back over the past few days, one has to state that there has been a steadier feeling in the market that has been noticeable for a long time past. It does not take much economic insight to enumerate the causes contributing to this more favorable state of affairs.

In the first place one has to mention the new exchange regime as set up by the Central Bank of China. Since the promulgation of the regulations the local black market for U.S. dollar notes has not shown much change with the exception of a slight flurry which has been brought in connection with the fact that the Central Bank of China had begun quoting forward exchange rates.

Many people, official comments maintained, misunderstood the fact that forward rates had to be quoted on a higher level than spot rates and so the sudden upswing of notes quotations occurred.

Although there is no strict functional relationship between the black market for notes and the official exchange transactions, a certain measure of interdependence cannot be denied.

It might be interesting in this connection to mention the official statement of officials of the Central Bank as published by the Economic News Bulletin. Firstly, the opening up of the free exchange market was aimed at the stabilization of gold prices and foreign exchange, and such a step was based on the most up-to-date theory and practice.

Secondly, the quoting of forward exchange rates was done purely to facilitate import business. An importer who has cargo arriving, say, in April, could by depositing a margin with an appointed bank, book the forward exchange in advance, thus hedging against any possible fluctuation which may upset his calculations. On the other hand, the bank which sells the forward exchange has to buy an equal amount to cover the sale, or, in other words, to hold the foreign exchange in readiness for the importer to call for it at any time before the due date.

In doing so, the bank automatically makes an investment in foreign exchange, and the difference between the spot and forward rates is calculated to provide interest on such an investment. The present difference amounts to less than five percent per month, as compared with the market interest rate which is over 20 percent per month.

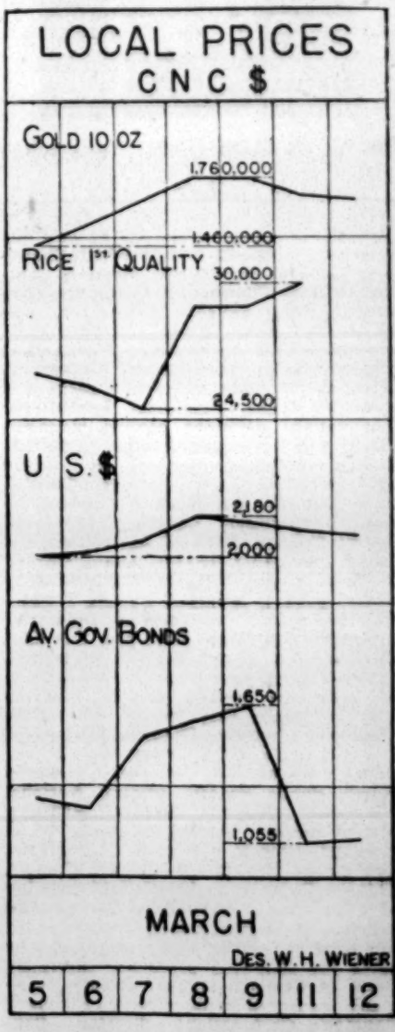
Thirdly, the sales of foreign exchange by the Central Bank and the appointed banks indicate the volume of imports that is expected from time to time. With the arrival of such imports, the local commodity prices will be favorably affected.

Finally, the U.S. exchange rate as quoted by the Central Bank has never been changed, and the Bank is sparing no effort in order to stabilize the exchange market. The April rate of CN$2120, therefore, does not mean that the exchange rate is fixed at CN$2120, but points out the fact that the difference from the spot rate is created by one month's interest added to it.

In addition to their exchange operations, the Central Bank authorities have also begun the sale of gold bars to goldsmiths with the proviso that delivery must be taken on the same day at 2 p.m. Since in the afternoon gold bars are offered for sale again, the rate sometimes slumps so that buyers who are paying for their deliveries cannot resell except at a loss.

These are artificial means of sustaining a market, some observers might point out. But as long as they help to stabilize conditions, they are steps in the right direction if the means of the authorities are big enough to tide China over her present difficulties.

In the long run, however, China must balance her imports and loans with a steadily growing volume of exports. Until such time the procedure of the Central Bank might prove itself extremely salutary.



The period under review does not show any great change as regards rates for U.S. dollar notes and gold bars. The pattern of both rates is steady to weak thus demonstrating the stabilizing influence of the measures adopted by the Central Bank of China to curb the wild fluctuation of the local financial markets.

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Business Experts See Difficulties In 1951

THE present cycle of world trade which will begin with the granting of U.S. loans to future buyers of American exports is expected to be completed by 1950 and unless drastic measures are taken the effects of the dwindling of U.S. dollar reserves abroad will be disastrous to American home economy.

With the present prospects of huge U.S. loans to foreign countries trade is expected to be in high gear by 1948-50 when the volume of American exports may reach the US$10,000,000,000 level, balanced by some US$7,000,000,000 worth of imports and about US$3,000,000,000 worth of loans. By 1950 foreign countries are expected to run out of American currency and American world trade may collapse unless the following two measures are enforced:

A change in U.S. buying habits designed to bolster imports from abroad and enable foreign countries to accumulate U.S. dollar balances. Tre second step is the shift from lending abroad to investing in productive foreign enterprises, especially in economically backward lands.

While the present cycle starts with foreign countries not having U.S. currency as the result of the war and ends with these countries having spent all their greenbacks, the process, according to American experts, may be upset anywhere along the line and at any time.

Among the obstacles for the successful fulfillment of the cycle would be the breakdown of friendly relations between the United States and its customers and the inception of a furious armaments race. Furthermore, the present agitation in the States for the multi-lateral reduction of trade barriers may be tripped over by the rising movement in Europe for bi-lateral trade arrangements. The decisions of Congress will play a major role in the materialization of this ambitious trade program with the beginnings of a great boom around 1947. Industry is another factor to be reckoned with; its distribution and production policies will largely contribute to the vitality of the cycle envisaged.

The cycle will get under way with the granting of the US$4,400,000,000 loan to Britain and is expected create a large demand on U.S. goods, although, at the same time, American consumers are expected to "play ball" and create a demand for foreign goods. Further loans to Russia, China and France, all reckoned in billions, will help bolster world-wide demand for American goods. Some goods are still scarce in the United States and it is expected that Britain will require food and agricultural commodities, while Russia, China and France will want mass-produced American machines and gadgets on all sorts.

Stringent trade controls, however, are envisaged in the United States at the beginning of the cycle owing to the shortage of a number of commodities and products. These controls will gradually be relaxed until supply and demand will regulate the whole process. The competitiveness of the domestic market in America at present has forced producers to throw all their goods on the home market with the result that hardly any reserves are accumulating for export abroad. Business men declare that prospective foreign exporters will have to stand in line for their turn to get their quota of goods after the home market is satisfied.

BUSINESS FOOT-NOTES

The USSR Oil Industry was split into two regions last week when a decree, announcing the formation of two All Union People's Commissariats, one for the Southern and Western regions, and one for the Eastern regions, was announced.

* * *

A decision was passed last week by the Dutch Government re-establishing Dutch currency as the only legal tender in the Netherlands East Indies.

* * *

The British Foreign Office disclosed last week that according to the decisions of the Potsdam conference, the German merchant marine fleet will be equally split among Britain, the United States and the Soviet Union. The agreement also provided that other Allied powers with shipping losses in the war "should be given appropriate shares."

* * *

The U.S. Administration's wage-price policy was criticized last week by diverse sources with conflicting motives. Manufacturers based their assaults on the argument that removal of price control will speed up production, while labor charged that requirement of government approval for wage increases "undermines the freedom of American workers and destroys the value of collective bargaining."

* * *

A prediction that this year's domestic supply of corn may drop to 1944 level was voiced last week by the United States Agriculture Department.

* * *

Cotton supplies from East Africa and the Sudan during 1945-46 season will be insufficient for Indian mill requirements and to prevent a serious situation, prompt action must be taken by the Indian government to supplement supplies by suitable foreign imports.

* * *

The British journal "Economist" declared that the present rate of CNC$2,020 to US$1 is experimental and there is a possibility that the Chinese dollar is undervalued rather than overvalued. These Government steps are essential in establishing an effective exchange market in Shanghai.

* * *

Rice shortage as well as food shortage throughout the world is illustrated by the fact that there were only 500,000 tons of rice available to the 23 odd claimants asking for more than 2,000,000 tons of rice for the second quarter of 1946.

The Chinese Maritime Customs announced last week that foreign ocean liners are permitted to sail into more than one Chinese port for loading or unloading until March, 1947. This measure is taken to promote international trade and coastal transportation.

* * *

Shipments of Canadian wheat and flour are scheduled to start from Montreal after the opening of navigation and will be conducted in 500,000 bushel lots. Some wheat will be brought from the United States to Canada to boost these shipments.

* * *

On the final day, March 7, for depositing old yen, the note issue of the Bank of Japan dropped to 29,728,000,000 yen as compared with more than 61,000,000,000 yen on February 18, two days after the government announcement of drastic anti-inflation measures.

* * *

Spinning machines of 100,000 spindles are being ordered by Chinese in the United States. A unit designed to spin coarse yarn costs an estimated US$420,000 while one spinning fine yarn costs US$380,000. The prices of these machines will amount to US$500,000 c.i.f. plus customs taxes.

* * *

The estimated Malayan rubber output for 1946 is 175,000 tons while Burma will produce some 3000 tons in the same period. More than 50,000 tons of rubber were taken over by the British in Malaya from the Custodian of Enemy Property.

* * *

A five to 10 percent increase in cotton textile prices was authorized by the United States Office of Price Administration last week.

* * *

The Stilwell road in Burma, a US$137,000,000 American Government investment has been declared as abandoned and unsaleable by the Office of the Foreign Liquidation Commissioner. Eleven airfields, built at a cost of US$15,000,000 will likewise be abandoned.

* * *

Chinese Government financial authorities in North China, in cooperation with Customs officials, are controlling the outflow of gold from that area. This leakage is said to be the cause for the soaring gold prices.

* * *

More than 17,000 piculs of silk are expected to be produced this year out of the 7,000,000 grams of silkworms bred in Southeast China districts, plus the 300,000 grams arriving from Japan soon. The first batch of 300,000 mulberry sprouts arrived in China recently.

* * *

The Central Bank of China has issued forward quotations on New York to facilitate the work of importers. CNC$2120 has been set for the period ending April 7; CNC$2220 for the period ending May 7; and CNC$2330 for the period ending June 7. The higher forward quotations were the result of a five percent interest addition.

* * *

More than 20,000 bales of Japanese raw silk is ready for shipment to the United States and 1500 bales will be the first shipment from Yokohama after the war. These shipments will serve as collateral for American foodstuffs and other commodities sent to Japan. The silk will be delivered to the United States Commercial Company at US$545.33 per bale.

NEW BOOKS OF INTEREST

Russophile

USSR FOREIGN POLICY *by Victor A. Yakhontoff. New York: Coward-McCann. $3.50. 311 pp. Reviewed by Foster Rhea Dulles in the New York Herald Tribune Book Review.*

THERE is no need today to emphasize the importance to the American public of trying to understand and properly evaluate the foreign policy of the Soviet Union. Almost every day's headlines draw attention to the vital problem of Russian-American relations. Under such circumstances a book for the general reader giving the historical background of the USSR's foreign policy should instantly command attention.

Mr. Yakhontoff's study, based on a course given this year at the New School for Social Research, is a straightforward account — the author terms it "a systematic review"— of the Soviet's relations with the rest of the world from the days of ostracism following the Bolshevik revolution through the period of world alliance in the second world war. No claim is made for uncovering new material. Copious extracts are given from the speeches of Litvinov, Molotov and Stalin, and the whole account is based upon the published documents of the last quarter century.

Nor can it be said that Mr. Yakhontoff has added very much to our understanding of Russian policy through his interpretation of actual events. His own attitude is one of such pronounced sympathy for the Soviet Union that he tends to accept with little attempt at critical appraisal every move that Russia has made in the whole field of international diplomacy.

This reviewer happens to believe that the Soviet Union followed a wholly justifiable policy both in the fateful months preceding the outbreak of the European war in 1939 and in those immediately following the start of hostilities. But Mr. Yakhontoff's unqualified acceptance of every phase of that policy appears at times to be almost naive. His sympathies betray him into making some highly questionable statements upon the disinterestedness of Russian motives and to rely at times much too heavily upon the conclusions of other pronounced Russophiles.

In discussing later Russian policy toward the liberated countries in eastern Europe the author states that "in no case on the entire frontier did the Soviet government force its own political ideas on the occupied countries." Just what may be meant by "forcing" ideas is perhaps subject to debate, but as the statement stands it conveys an impression of aloofness from the international politics of the liberated countries which is hard to reconcile with some of the known facts of Russian policy. Mr. Yakhontoff, in other words, sometimes protests too much and a more realistic defense of what the Soviets have done would have been far more effective.

There is no question that he thoroughly knows his material but this uncritical approach also serves at times to confuse the record. The foreign policy of the USSR was not as disassociated, during the 1920's and 1930's, from the activities of the Communist International as this book would lead one to believe. Little light, for example, is shed on such an important topic as Russian-Chinese relations by the almost cursory treatment of Moscow's role in the Nationalist uprising twenty years ago. Other such failures to trace the interrelationship between various phases of Russian policy prevent the book from clarifying as much as might be expected the underlying aims and purposes of Soviet statecraft.

While "USSR Foreign Policy" is consequently somewhat disappointing in its lack of critical appraisal and of any unifying concept drawing the events of the last twenty-five years into an understandable pattern, it nevertheless remains a valuable record of the Russian point of view toward international affairs. And there is a great deal in the record which should make non-Russians both less quick to believe always the worst of Soviet policy and more candid in reviewing the policies of other countries.

Record

CHINA IN BLACK AND WHITE. An Album of Woodcuts by Contemporary Chinese Artists. With A Commentary by Pearl S. Buck. 96 pp. New York: The Kohn Day Co. $3. Reviewed by William Germain Dooley.

THIS album of 80 woodcuts by contemporary Chinese artists makes a panorama of man's effort to exist and to produce in the face of constant threats of war, famine and disaster. It is a graphic story of the fight with the soil, the stirrings of industrial power, the homely family life, the grubbing start in education, interrupted constantly by vignettes of battle. You feel the sweat of labor, the rocklike character of the peasant faces, their mystic wonder at Nature's power newly harnessed. Despite the uneven quality of these prints, the total impression is one of a pulsing, latent human force bestirring itself.

The prints were assembled by the China Woodcut Association, and Pearl Buck has written a commentary in a style which is as simple and direct as a good translation of the people's tongue. It seldom intrudes upon the artists' interpretation. In a foreword she has explained that woodcuts were chosen because of a scarcity of oils and canvas. The Western world, which has always reacted strongly to the black-and-white work of Goya, Daumier and others, will welcome this choice of medium.

Few of the works of these contemporary artists are traditional in technique, for the training has been mainly European. Nevertheless, the essential feeling seems Chinese, as an ever adaptable people convert a foreign method to their own use.

Huang Yen, with proficiency, contrasts the flames of battle with war's quieter moments and the mountains suggesting eternity. Li Hwa, on the other hand, is content to picture man as the prime mover on the soil. Bitterness and disillusionment are the lot of Yang Nawei's "Forgotten Heroes," while Chen Shu-liang converts a peasant group into a universal "Holy Family."

Others with great skill, like Chang Yang-shi find expression in the ordinary life ordinary folk. Liang Yung-tai (whose name is misspelled at least once in the album) turns his remarkable talent to one theme, the railroad and power. And finally, one print by Shang Motsung, men fighting their way upstream on a raft, somehow epitomizes the spirit of this unpretentious but remarkably vivid book.

Bizarre

FROM SCENES LIKE THIS *by Ethel Wallace. Philadelphia; Hathaway and Brothers. $2. 223 pp. Reviewed in the New York Herald Tribune Book Review.*

NO hand is raised in family tyranny and no voice in domestic irritation in these random sketches of a family where harmony exists between the sexes and courtesy between the generations. At their most bizarre, the author's recollections embrace a cousin who is rich and rather engagingly eccentric and a servant who believes in spiritualism and conducts seances all by himself. Picnics and excursions and Fourth of July celebrations are the annual peaks of excitement, and the somber side of life is reflected in two groups of letters—one by a soldier in France in 1918, the other by a young Marine in the recent war.

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44	24	8	2	4	42	74	6	車次 TRAIN NO.		73	41	43	23	7	1	3	5
4th Class	3rd Class		Exp.	Exp.	2,3 Local	2,3 Local	Night Exp.	站名 STATIONS		2,3 Local	2,3 Local	4th Class	3rd Class		Exp.	Exp.	Night Exp.
1.00	7.00	8.00	9.00	11.00	15.00	18.00	21.00	D 上海 SHANGHAI	A	10.45	12.10	13.30	18.40	20.40	16.30	19.35	6.30
2.36	8.39	9.13	10.07	12.12	16.57	19.53	22.63	A 崑山 QUINSAN	D	8.45	10.14	11.35	17.01	19.29	15.20	18.13	5.16
2.41	8.42		10.12	12.16	17.10	19.56	22.38	D 崑山 QUINSAN	A	8.37	10.10	11.30	16.54		15.15	18.08	5.11
3.41	9.47	10.01	10.56	13.00	18.37	20.52	23.38	A 吳縣 WUHSIEN	D	7.29	9.00	10.05	15.50	18.44	14.30	17.23	4.20
4.13	9.56	10.10	11.06	13.15	18.46	21.00	23.50	D 吳縣 WUHSIEN	A	7.17	8.54	9.44	15.39	18.35	14.21	17.14	4.11
5.23	11.07	11.01	11.57	14.25	20.02	22.00	0.48	A 無錫 WUSIH	D	6.00	7.41	8.30	14.28	17.45	13.31	16.19	3.14
5.43	11.13	11.09	12.05	14.35	20.11		1.00	D 無錫 WUSIH	A		7.35	8.19	14.17	17.36	13.23	16.12	3.05
7.03	12.23	12.00	13.02	15.46	21.30		1.58	A 武進 WUCHIN	D		6.20	7.05	13.05	16.40	12.27	15.10	2.00
7.22	12.50		13.15	16.00			2.13	D 武進 WUCHIN	A			6.30	12.36		12.12	14.54	1.39
8.47	14.49		14.11	17.01			3.19	A 丹陽 TANYANG	D			5.05	10.29		11.18	13.39	0.20
8.52	15.00		14.16	17.05			3.24	D 丹陽 TANYANG	A			4.54	10.24		11.14	13.34	0.13
9.55	15.55		14.54	17.43			4.10	A 鎮江 CHINKIANG	D			3.40	9.10		10.36	12.56	23.17
10.30	16.10		15.07	17.51			4.22	D 鎮江 CHINKIANG	A			3.17	9.12		10.25	12.41	23.05
13.10	18.20		16.30	19.25			6.00	A 南京 NANKING	D			1.00	7.00		9.00	11.00	21.00

FARE LIST

STATIONS 站名		Kilo.	I Class Ordinary	I Class Express	II Class Ordinary	II Class Express	III Class Ordinary	III Class Express
SHANGHAI	上海							
QUINSAN	崑山	52	540.00	720.00	360.00	480.00	180.00	225.00
WUHSIEN	吳縣	86	810.00	990.00	540.00	660.00	270.00	315.00
WUSIH	無錫	129	1,170.00	1,530.00	780.00	960.00	390.00	480.00
WUCHIN	武進	167	1,530.00	1,890.00	1,020.00	1,200.00	510.00	600.00
TANYANG	丹陽	211	1,980.00	2,520.00	1,320.00	1,590.00	660.00	795.00
CHINKIANG	鎮江	242	2,250.00	2,790.00	1,500.00	1,770.00	750.00	885.00
NANKING	南京	311	2,880.00	3,600.00	1,920.00	2,280.00	960.00	1,140.00

滬杭線 SHANGHAI HANGCHOW LINE

TIME TABLE

11	61	31	車次 TRAIN NO.		32	12	62
Express	2,3,4 Class	2,3 Class	站名 STATIONS		2,3 Class	Express	2,3,4 Class
7.00	7.50	15.15	D 上海北站 SHANGHAI NORTH	A	13.45	19.30	22.35
7.15	8.09	15.35	A 上海西站 SHANGHAI WEST	D	13.25	19.15	22.16
7.35	8.19	15.40	D 上海西站 SHANGHAI WEST	A	13.20	19.08	22.11
8.14	8.24	16.45	A 松江 SUNGKIANG	D	12.12	18.16	21.07
8.19	8.30	16.50	D 松江 SUNGKIANG	A	12.07	18.11	21.02
9.30	11.04	18.28	A 嘉興 KASHING	D	10.35	17.00	19.35
9.42	11.13	18.40	D 嘉興 KASHING	A	10.26	16.48	19.25
10.18	11.51	19.19	A 峽石 HASHA	D	9.35	16.14	18.41
10.13	11.54	19.21	D 峽石 HASHA	A	9.36	16.13	18.40
10.53	12.39	20.07	A 長安 CHANGAN	D	8.51	15.37	17.51
10.58	12.44	20.14	D 長安 CHANGAN	A	8.46	15.32	17.46
12.00	14.00	21.30	A 杭州 HANGCHOW	D	7.30	14.30	16.30

FARE LIST

STATIONS 站名		Kilo.	I Class Ordinary	I Class Express	II Class Ordinary	II Class Express	III Class Ordinary	III Class Express
SHANGHAI	上海							
SUNGKIANG	松江	45	450.00	632.00	300.00	396.00	150.00	495.00
KASHING	嘉興	99	900.00	1,080.00	600.00	690.00	300.00	345.00
HASHA	峽石	125	1,170.00	1,530.00	780.00	960.00	390.00	480.00
CHANGAN	長安	151	1,440.00	1,800.00	960.00	1,140.00	480.00	570.00
HANGCHOW	杭州	190	1,710.00	2,070.00	1,140.00	1,320.00	570.00	660.00

華中鐵路管理委員會

CENTRAL CHINA RAILWAY ADMINISTRATIVE COMMISSION